

Somerville

City Hall Annex
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Phone 617-625-6600
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Board Members

John M. Memory (Chairperson),
Edward F. Bean, Jr., Lawrence Murphy,
Mary A. Phinney, John E. Rourke

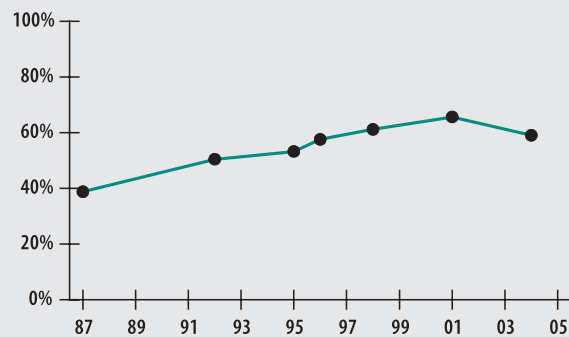
Board Administrator

Mary A. Phinney

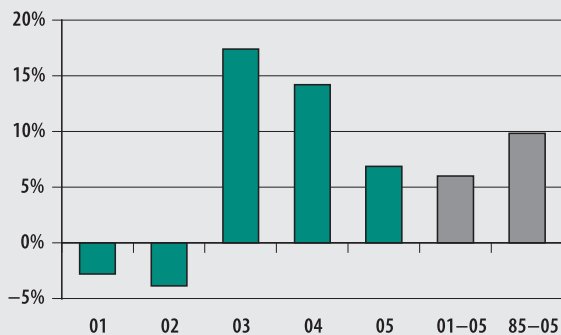
Board Meeting

Third Thursday of each month at 8:30 am

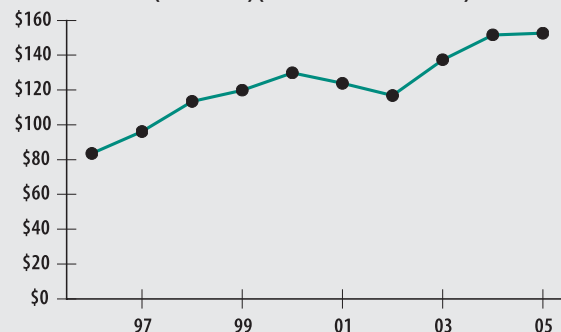
► Funded Ratio (1987-2005)



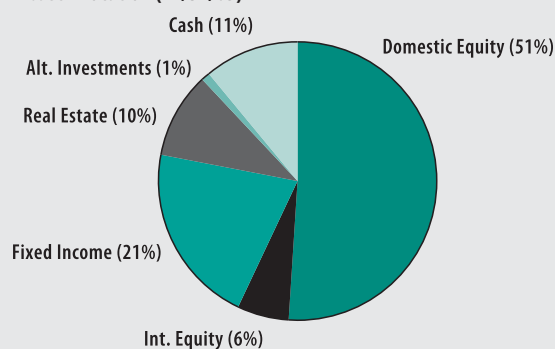
► Investment Return (2001-2005, 5 Year and 21 Year Averages)



► Asset Growth (1996-2005) (Market Value in Millions)



► Asset Allocation (12/31/05)



► ACTUARIAL

• Funded Ratio	59.1%
• Date of Last Valuation	01/04
• Actuary	Mellon
• Assumed Rate of Return	8.25%
• Funding Schedule	4.0% Increasing
• Year Fully Funded	2025
• Unfunded Liability	\$100.9 M
• Total Pension Appropriation (Fiscal 2006)	\$11.0 M

	Active	Retired
• Number of Members	1,069	927
• Total Payroll/Benefit	\$43.9 M	\$16.3 M
• Average Salary/Benefit	\$41,000	\$17,500
• Average Age	NA	73
• Average Service	NA	NA

► INVESTMENT

Domestic Equity

- Boston Advisors, Inc.
- Congress Asset Management
- RhumbLine S&P 500 Pooled Index Fund
- RhumbLine S&P Mid-Cap 400 Pooled Index Fund
- RhumbLine S&P Small Cap Pooled Index Fund

International Equity

- Lazard Freres International Equity Fund

Domestic Fixed Income

- Boston Advisors, Inc.
- Loomis Sayles Fixed Income Fund

Real Estate

- BlackRock Apartment Value Fund II & III, L.P.
- GPA Government Properties Fund I
- UBS Real Estate Separate Account (RESA)

Alternative Investments

- Crescent Gate Partners, LLC

Custodian

- Investors Bank & Trust

► 2005 Return	6.87%
► 2005 Target	10.27%
► 2005 Market Value	\$152.6 M
► 2001-2005 (Annualized)	6.03%
► 1985-2005 (Annualized)	9.84%